



Sony Ericsson

PRESS RELEASE

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## **Sony Ericsson increases focus on GSM/UMTS/EDGE and streamlines R&D operations**

**Sony Ericsson's application focused business strategy has started to drive market share growth in both the Japanese and GSM markets. Sony Ericsson's recent GSM-products have made a strong impact on the market and the recently introduced imaging phones for the Japanese market have broken new ground in mobile imaging.**

In order to strategically focus Sony Ericsson's business on GSM/UMTS/EDGE and to further strengthen profitability, the following measures have been taken:

- North American CDMA mobile phone operations to be phased out
- GSM/UMTS R&D activities streamlined and Munich R&D-site closed

Sony Ericsson Mobile Communications has decided to prioritize development of its GSM/UMTS/EDGE business and discontinue the development of CDMA mobile phones for the North American market. Sony Ericsson remains committed to the continued development of CDMA phones for the Japanese market and CDMA machine-to-machine modules.

In addition, to further increase efficiency and productivity in Sony Ericsson's global R&D operations, GSM/UMTS R&D activities will be reduced to fewer sites. As a consequence, R&D activities in Munich, Germany will be phased out.

In total approximately 500 employees will be affected in Munich, Germany and at Sony Ericsson's CDMA R&D center in Research Triangle Park, North Carolina, USA.

"Today's announcement ensures the continued growth and development of Sony Ericsson. The actions reflect our strong forward momentum as we intensify our business focus and work to achieve profitability," says Katsumi Ihara, President of Sony Ericsson.

*Sony Ericsson Mobile Communications AB offers mobile communications products for people who appreciate the possibilities of powerful technology. Established in 2001 by Telefonaktiebolaget LM Ericsson and Sony Corporation, the joint venture continues to build on the success of its two innovative parent companies. Sony Ericsson creates value for its operator customers by bringing new ways of using multimedia communications while mobile. The company's management is based in London, and has 4,000 employees across the globe working on research, development, design, sales, marketing, distribution and support. For further information, please visit: [www.SonyEricsson.com](http://www.SonyEricsson.com)*

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